DoD Title 40/CCA LSS Initiative

Sub-Team Update: How to Identify a LSS Improvement Opportunity (Project)

7 NOV 2008

How to Identify a LSS Improvement Opportunity/Project?

- This a 4 step method to help your sub-teams move from the initial data gathering activity to generating potential project opportunities

  - Step 1: Validate Improvement Opportunity Criteria
  - Step 2: Identify Root Causes
  - Step 3: Clustering/Affinitizing Possible Causes into Workable Groupings
  - Step 4: Defining Potential Projects

How to Identify a LSS Improvement Opportunity/Project?

STEP 1: Validate Criteria

1. Process exists
2. Process is repeatable and occurs with regularity
3. Process is deemed to be inefficient, needs improvement or provides a sub-standard product
4. Process/Problem has no known obvious solution or at least no known preferred solution
5. Process is measurable and is, preferably, already being measured (for example …)
   a) Reduces rework/duplication form X% to Y%
   b) Reduces process cycle time from X% to Y%
   c) Improves process quality from X% to Y%
6. Process is within the organization's control or at least within the organization's ability to change

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STEP 2: Identify Root Causes

What approach can be taken to identify possible root causes of the observed/perceived problem?

1. Create a Fish-Bone (Cause & Effect) Diagram
2. List the problem as the "Y" factor (the problem or thing that you would like to correct/change/fix etc.)
3. For the fish-bones, list the categories that could lead to correcting/changing/fixing the "Y".
   - For example: The standard categories for transactional processes are usually … ***Policies, People, Procedures, Technology & Environment***. However, you may create categories as necessary for your particular process.
4. List possible causes ("Xs") under the category headings
5. When complete, sort & rank the causes by criteria you select (or use a tool such as an *Affinity Diagram*) and identify the causes you want to investigate (i.e. by collecting data).

➢ Please see the examples taken from the MOE/PIR sub-team presentation on the following pages (5-10)

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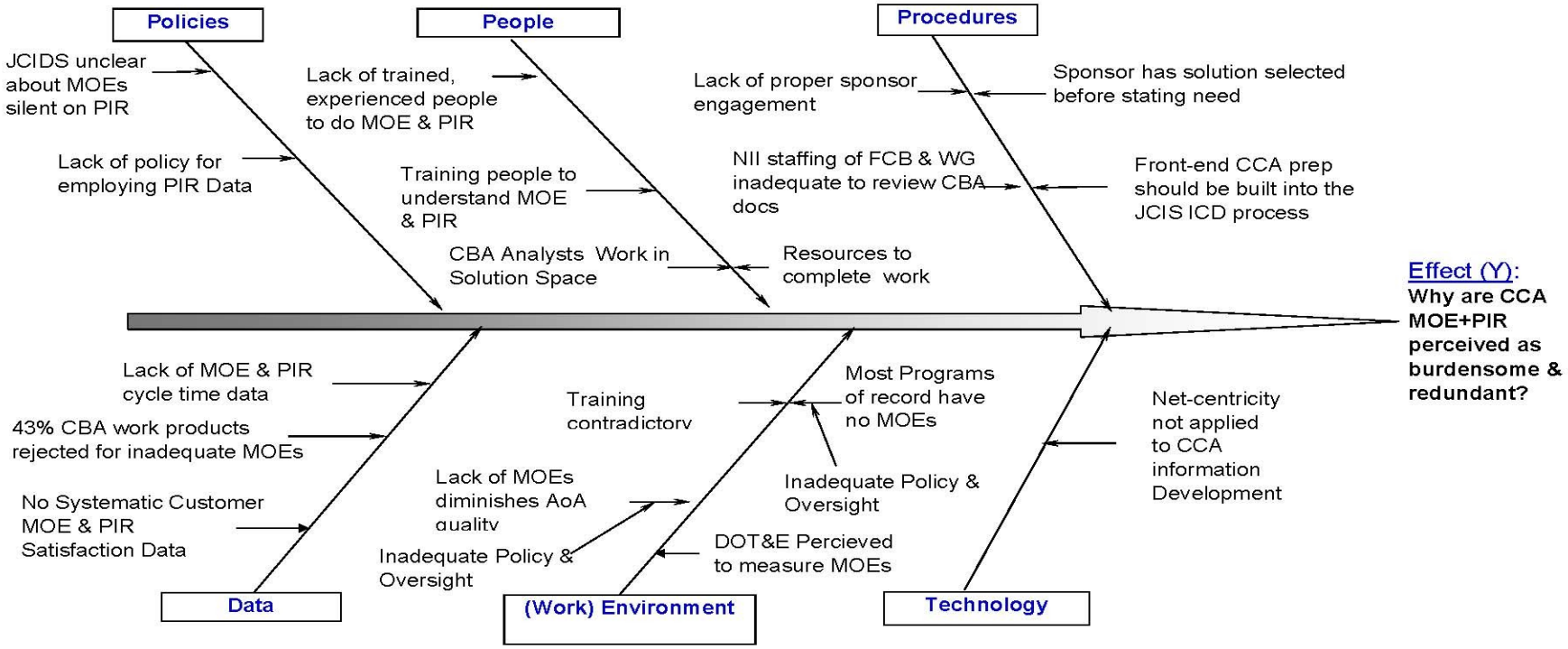
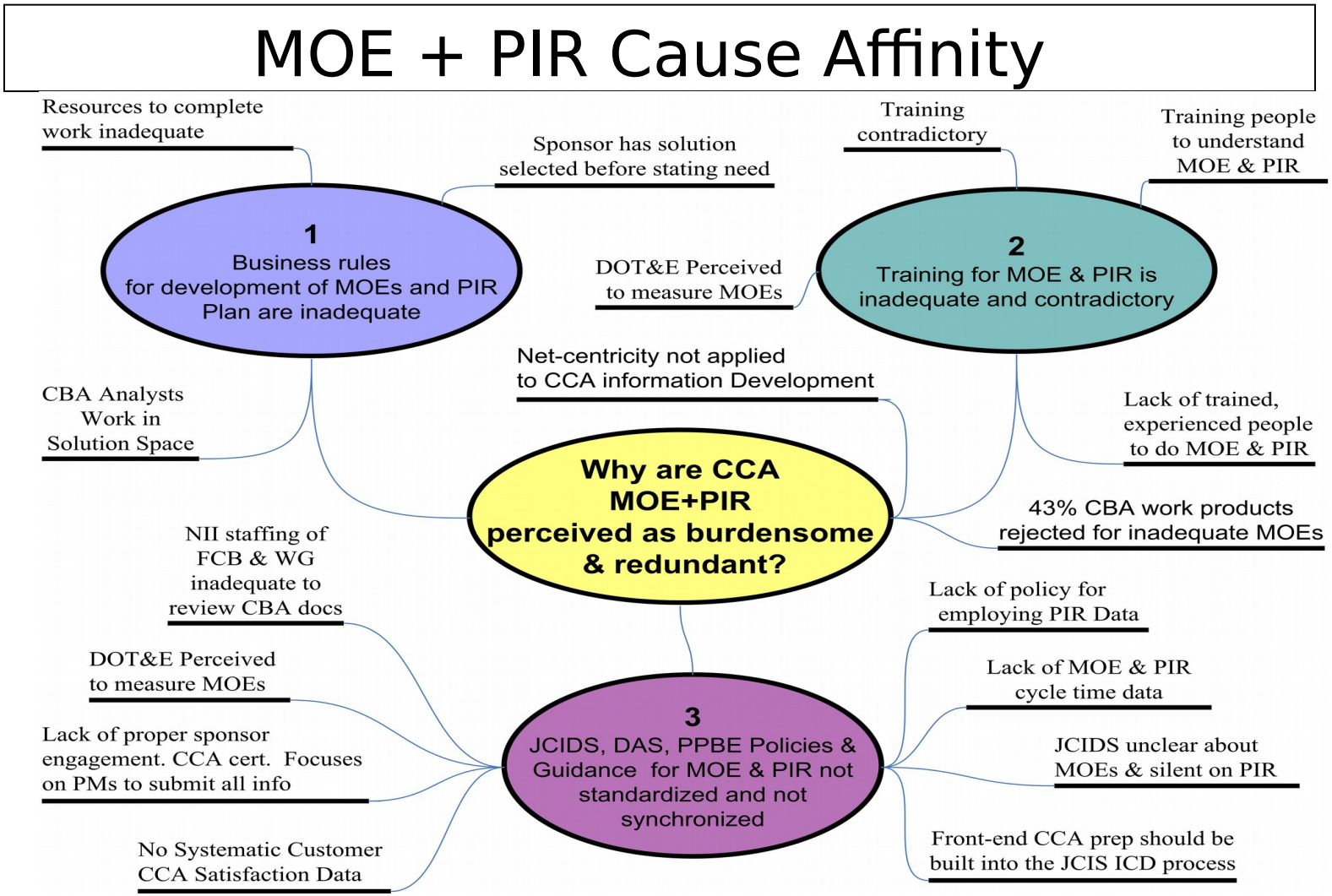
Title 40/CCA Working Team

Cause & Effect Diagram: MOE + PIR


Policies
JCIDS unclear about MOEs silent on PIR
Lack of policy for employing PIR Data
People
Lack of trained, experienced people to do MOE & PIR
Training people to understand MOE & PIR
CBA Analysts Work in Solution Space
Procedures
Lack of proper sponsor engagement
Sponsor has solution selected before stating need
NII staffing of FCB & WG inadequate to review CBA docs
Front-end CCA prep should be built into the JCIS ICD process
Resources to complete work
Effect (Y):
Why are CCA MOE+PIR perceived as burdensome & redundant?
Lack of MOE & PIR cycle time data
43% CBA work products rejected for inadequate MOEs
No Systematic Customer MOE & PIR Satisfaction Data
Data
Training contradictory
Most Programs of record have no MOEs
Lack of MOEs diminishes AoA quality
Inadequate Policy & Oversight
Inadequate Policy & Oversight
DOT&E Percieved to measure MOEs
(Work) Environment
Net-centricity not applied to CCA information Development
Technology

How to Identify a LSS Improvement Opportunity/Project?

STEP 3: Clustering/Affinitizing Causes


MOE + PIR Cause Affinity
Resources to complete work inadequate
Sponsor has solution selected before stating need
Training contradictory
Training people to understand MOE & PIR
1
Business rules for development of MOEs and PIR Plan are inadequate
2
Training for MOE & PIR is inadequate and contradictory
DOT&E Perceived to measure MOEs
Net-centricity not applied to CCA information Development
CBA Analysts Work in Solution Space
Lack of trained, experienced people to do MOE & PIR
Why are CCA MOE+PIR perceived as burdensome & redundant?
43% CBA work products rejected for inadequate MOEs
NII staffing of FCB & WG inadequate to review CBA docs
Lack of policy for employing PIR Data
DOT&E Perceived to measure MOEs
Lack of MOE & PIR cycle time data
Lack of proper sponsor engagement. CCA cert. Focuses on PMs to submit all info
3
JCIDS, DAS, PPBE Policies & Guidance for MOE & PIR not standardized and not synchronized
JCIDS unclear about MOEs & silent on PIR
No Systematic Customer CCA Satisfaction Data
Front-end CCA prep should be built into the JCIS ICD process

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MOE + PIR Cause Affinity - Continued

1	**Business Rules for development of MOEs and PIR Plan are inadequate**	**2**	**Training for MOE & PIR is inadequate and contradictory**	**3**	**JCIDS, DAS, PPBE Policies & Guidance for MOE & PIR not standardized and not synchronized**
1.1	**Resources to complete work inadequate**	**2.1**	**Lack of trained, experienced people to do MOE & PIR**	**3.1**	**Lack of MOE & PIR data**
1.2	**Lack of policy for employing PIR Data**	**2.2**	**Training people to understand MOE & PIR**	**3.2**	**No Systematic Customer CCA Satisfaction Data**
1.3	**JCIDS unclear about MOEs silent on PIR**	**2.3**	**Training contradictory**	**3.3**	**Lack of proper sponsor engagement. CCA cert. focuses on PMs to submit all info**
1.4	**CBA Analysts Work in Solution Space**	**2.4**	**DOT&E Perceived to measure**	**3.4**	**NII staffing of FCB & WG inadequate to review CBA docs**

How to Identify a LSS Improvement Opportunity/Project?

STEP 4: Defining Potential Projects

A problem statement (hypothesis): Policies surrounding MOEs are disjointed. PPBE, DAS, JCIDS should be synchronized.

Describe what the potential project would fix: Would standardize and synchronize PPBE, DAS and JCIDS policies. Update the Defense Acquisition Guidebook to reflect the changes.

How can the problem be measured? % of policies that are interoperable and consistent. % of new ICDs that contain outcome based performance measures.

How to Identify a LSS Improvement Opportunity/Project?

STEP 4: Defining Potential Projects

A problem statement (hypothesis): Training is not standardized in the area of MOEs and PIR.

Describe what the potential project would fix: Once policies are updated, training would be assessed for consistency.

How can the problem be measured? % of training materials that are consistent with policies.

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STEP 4: Defining Potential Projects

A problem statement (hypothesis):
Currently there are insufficient business rules associated with the development of a PIR plan in the DAG or associated refined process.

Describe what the potential project would fix: Develop business rules in the DAG for the PIR plan and refined process.

How can the problem be measured?
Incorporation of Business Rules into the DAG